

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | ROBERT B. MCCARTHY | JENNIFER F. SULLIVAN

MEMORANDUM

TO: Attleboro Retirement Board
FROM: Joseph E. Connarton, Executive Director
RE: Appropriation for Fiscal Year 2020
DATE: November 13, 2018

Required Fiscal Year 2020 Appropriation: **\$7,733,742**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2020 which commences July 1, 2019.

Attached please find summary information based on the present funding schedule for your system and the portion of the Fiscal Year 2020 appropriation to be paid by each of the governmental units within your system. The allocation by governmental unit was determined by Stone Consulting as part of their January 1, 2018 valuation.

The current schedule is due to be updated by Fiscal Year 2021.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446 Extension 921.

JEC/jrl
Attachments

cc: Office of the Mayor
City Council
c/o City Clerk

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Attleboro Retirement Board

Projected Appropriations

Fiscal Year 2020 - July 1, 2019 to June 30, 2020

Aggregate amount of appropriation: **\$7,733,742**

Fiscal Year	Estimated Cost of Benefits	Funding Schedule (Excluding ERI)	ERI	Total Appropriation	Pension Fund Allocation	Pension Reserve Fund Allocation	Transfer From PRF to PF
FY 2020	\$11,610,660	\$7,327,907	\$405,835	\$7,733,742	\$7,733,742	\$0	\$3,876,918
FY 2021	\$12,292,160	\$7,929,358	\$423,083	\$8,352,441	\$8,352,441	\$0	\$3,939,719
FY 2022	\$13,013,705	\$8,579,573	\$441,064	\$9,020,637	\$9,020,637	\$0	\$3,993,068
FY 2023	\$13,777,648	\$9,282,479	\$459,809	\$9,742,288	\$9,742,288	\$0	\$4,035,360
FY 2024	\$14,586,480	\$10,042,320	\$479,351	\$10,521,671	\$10,521,671	\$0	\$4,064,809

The Total Appropriation column shown above is in accordance with your current funding schedule and the scheduled payment date(s) in that schedule. Whenever payments are made after the scheduled date(s), the total appropriation should be revised to reflect interest at the rate assumed in the most recent actuarial valuation. Payments should be made before the end of the fiscal year.

For illustration, we have shown the amount to be transferred from the Pension Reserve Fund to the Pension Fund to meet the estimated Cost of Benefits for each year. If there are sufficient assets in the Pension Fund to meet the Cost of Benefits, this transfer is optional.

Actuarial Results Breakdown by Governmental Unit and Department			City (Cty)	Housing (AHA)	Redevelopment (ARA)	City Council	Mayor's Office	Budget & M.L.S.
	Total							
(1)	Participants							
	Active	647	633	14	0	9	5	5
	Inactives	153	152	0	1	7	1	0
	Retirees	393	393	0	0	3	6	3
	Disabled Retirees	42	42	0	0	0	0	1
	Total	1,235	1,220	14	1	19	12	9
(2)	Payroll of Active Participants	\$34,258,885	\$33,441,575	\$817,310	\$0	\$122,049	\$359,389	\$414,128
(3)	Normal Cost							
(a)	Total Normal Cost	\$4,936,726	\$4,846,820	\$89,906	\$0	\$20,318	\$41,640	\$53,939
(b)	Expected Employee Contributions	\$3,207,708	\$3,143,410	\$64,298	\$0	\$10,310	\$35,031	\$39,121
(c)	Administrative Expense	\$237,029	\$232,712	\$4,317	\$0	\$976	\$1,999	\$2,590
(d)	Net Employer Normal Cost	\$1,966,047	\$1,936,122	\$29,925	\$0	\$10,984	\$8,608	\$17,408
(e)	Interest on Net Normal Cost	\$118,012	\$116,216	\$1,796	\$0	\$659	\$517	\$1,045
(f)	Net Employer Normal Cost w Interest	\$2,084,059	\$2,052,338	\$31,721	\$0	\$11,643	\$9,125	\$18,453
(4)	Net 3(8)(c)	\$171,572	\$168,961	\$2,611	\$0	\$959	\$751	\$1,519
(5)	Actuarial Accrued Liability	\$229,851,475	\$225,916,071	\$3,821,432	\$113,972	\$797,712	\$2,202,186	\$2,468,847
(6)	Assets	\$143,874,216	\$141,410,872	\$2,392,003	\$71,340	\$499,323	\$1,378,446	\$1,545,361
(7)	Unfunded Actuarial Accrued Liability (UAAL)	\$85,977,259	\$84,505,199	\$1,429,429	\$42,632	\$298,389	\$823,740	\$923,486
(8)	UAAL projected to July 1, 2019	\$91,275,842	\$89,713,062	\$1,517,521	\$45,259	\$316,778	\$874,505	\$980,398
(9)	2003 ERI Amortization	\$399,897	\$399,897	\$0	\$0	\$1,373	\$4,397	\$3,920
(10)	Unfunded Amortization excluding ERI	\$5,078,215	\$4,991,269	\$84,429	\$2,518	\$17,624	\$48,654	\$54,545
(11)	Fiscal 2020 Cost (3f) +(4) + (9) +(10)	\$7,733,742	\$7,612,464	\$118,761	\$2,518	\$31,599	\$62,927	\$78,437
(12)	Percentage of Total	100%	98.43%	1.54%	0.03%	0.41%	0.81%	1.01%
(13)	Fiscal 2021 Cost	\$8,352,441	\$8,221,462	\$128,261	\$2,719	\$34,127	\$67,961	\$84,712
(14)	Percentage of Total	100%	98.43%	1.54%	0.03%	0.41%	0.81%	1.01%

Actuarial Results Breakdown by Governmental Unit and Department		Community Development	Police	Fire	Inspection	Animal Control	School	DPW Highway
(1)	Participants							
	Active	1	97	97	6	2	236	20
	Inactives	0	10	1	1	1	110	2
	Retirees	0	71	74	4	0	130	15
	Disabled Retirees	0	15	13	0	0	6	2
	Total	1	193	185	11	3	482	39
(2)	Payroll of Active Participants	\$80,784	\$6,497,542	\$7,285,503	\$367,411	\$130,086	\$8,018,152	\$1,033,777
(3)	Normal Cost							
(a)	Total Normal Cost	\$7,297	\$1,120,529	\$1,297,862	\$44,934	\$13,596	\$1,094,657	\$127,468
(b)	Expected Employee Contributions	\$8,672	\$655,898	\$710,121	\$28,710	\$12,409	\$706,575	\$96,379
(c)	Administrative Expense	\$350	\$53,800	\$62,315	\$2,157	\$653	\$52,558	\$6,120
(d)	Net Employer Normal Cost	-\$1,025	\$518,431	\$650,056	\$18,381	\$1,840	\$440,640	\$37,209
(e)	Interest on Net Normal Cost	-\$62	\$31,119	\$39,020	\$1,103	\$110	\$26,449	\$2,233
(f)	Net Employer Normal Cost w Interest	-\$1,087	\$549,550	\$689,076	\$19,484	\$1,950	\$467,089	\$39,442
(4)	Net 3(8)(c)	-\$89	\$45,242	\$56,729	\$1,604	\$161	\$38,453	\$3,247
(5)	Actuarial Accrued Liability	\$216,109	\$58,462,970	\$58,986,563	\$1,741,049	\$522,512	\$43,271,204	\$7,016,862
(6)	Assets	\$135,272	\$36,594,562	\$36,922,302	\$1,089,800	\$327,063	\$27,085,363	\$4,392,165
(7)	Unfunded Actuarial Accrued Liability (UAAL)	\$80,837	\$21,868,408	\$22,064,261	\$651,249	\$195,449	\$16,185,841	\$2,624,697
(8)	UAAL projected to July 1, 2019	\$85,819	\$23,216,108	\$23,424,031	\$691,384	\$207,494	\$17,183,338	\$2,786,451
(9)	2003 ERI Amortization	\$208	\$109,719	\$104,427	\$2,587	\$638	\$74,822	\$13,120
(10)	Unfunded Amortization excluding ERI	\$4,775	\$1,291,650	\$1,303,218	\$38,466	\$11,544	\$956,011	\$155,027
(11)	Fiscal 2020 Cost (3f) +(4) + (9) +(10)	\$3,807	\$1,996,161	\$2,153,450	\$62,141	\$14,293	\$1,536,375	\$210,836
(12)	Percentage of Total	0.05%	25.81%	27.84%	0.80%	0.18%	19.87%	2.73%
(13)	Fiscal 2021 Cost	\$4,112	\$2,155,854	\$2,325,726	\$67,112	\$15,436	\$1,659,285	\$227,703
(14)	Percentage of Total	0.05%	25.81%	27.84%	0.80%	0.18%	19.87%	2.73%

**Actuarial Results Breakdown by
Governmental Unit and Department**

	Wastewater	Water	Other City
(1) Participants			
Active	33	28	0
Inactives	2	2	0
Retirees	12	13	0
Disabled Retirees	1	2	0
Total	48	45	0
(2) Payroll of Active Participants	\$2,088,908	\$1,579,197	\$0
(3) Normal Cost			
(a) Total Normal Cost	\$227,670	\$171,268	\$0
(b) Expected Employee Contributions	\$193,549	\$149,534	\$0
(c) Administrative Expense	\$10,931	\$8,223	\$0
(d) Net Employer Normal Cost	\$45,052	\$29,957	\$0
(e) Interest on Net Normal Cost	\$2,704	\$1,798	\$0
(f) Net Employer Normal Cost w Interest	\$47,756	\$31,755	\$0
(4) Net 3(8)(c)	\$3,932	\$2,614	\$0
(5) Actuarial Accrued Liability	\$12,226,654	\$9,362,134	\$188,323
(6) Assets	\$7,653,204	\$5,860,174	\$117,879
(7) Unfunded Actuarial Accrued Liability (UAAL)	\$4,573,450	\$3,501,960	\$70,444
(8) UAAL projected to July 1, 2019	\$4,855,301	\$3,717,778	\$74,785
(9) 2003 ERI Amortization	\$19,394	\$16,295	\$1,361
(10) Unfunded Amortization excluding ERI	\$270,129	\$206,842	\$4,159
(11) Fiscal 2020 Cost (3f) +(4) + (9) +(10)	\$341,211	\$257,506	\$5,520
(12) Percentage of Total	4.41%	3.33%	0.07%
(13) Fiscal 2021 Cost	\$368,508	\$278,106	\$5,961
(14) Percentage of Total	4.41%	3.33%	0.07%